

Shas geo point vital US security interest.

I. Regional Objectives

Our overall regional objective is to promote peaceful change, security and stability in the Caribbean Basin and to ensure that external forces hostile to US interests are excluded. Under-development is the long-term problem of the region; subversion is the short-term threat. Both must be addressed in order to meet our objectives.

II. Threats to Regional Stability and Security

Economic underdevelopment and the absence of strong political institutions have created conditions in which externally sponsored subversion and aggression threaten the region. Poverty and political disaffection allow military subversion from the Soviet Union and its clients, Cuba and Nicaragua. The threat is reinforced by the success of the leftist propaganda campaign which has over and over again been telling the "big lie." In the near term, problems of subversion must be met immediately and the seeds for longer-term political and economic development must be sown simultaneously.

III. US Strategy

To respond to these threats, our strategy must proceed along three basic lines. The economic and political measures attack the fundamental problem; the security actions attack subversion which threatens the development process.

A. Acceleration of economic development in friendly states

-- The Caribbean Basin Initiative serves this purpose.

B. Enhancing the evolution of political democracy

Our efforts center on support for free and internationally credible elections in all states, particularly in El Salvador in March. Other measures in this area include:

- Radio Marti
- Strong support for Central American community
- Carrying our message to our friends and Allies

State Dept. review completed

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C. Regional security

In this area our efforts are designed to address the near-term problems first. Measures include specific initiatives designed to strengthen military capabilities of friendly governments in the region and at the same time to provide powerful disincentives for Cuba and Nicaragua to continue to export subversion.

IV. Implementation

Our objectives in these measures require a phased program of implementation. We will in the course of the next few weeks submit legislation to Congress to help in the areas of economic development and the evolution of political democracy. This approach to fundamental problems in the region should be given center stage in our presentation to Congress and the public. At the same time we will begin a series of increasingly strong measures to ensure that the region is sufficiently secure and stable to allow economic growth and political development.